NOTICE OF INTENT TO DRILL

Must be approved by KCC file (5) days prior to commencing well

For KCC Use:

Date: 5-21-05

Effective Date: 6-30-2005

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NAME OF INTELLIGENCE:

K 1935

Address: PO Box 392

City/Town: Russell, KS 67656

Contact Person: John J. Farmer IV

Phone: 785-481-3114

CONTRACTOR: Licensee: 30066 (12-30-05)

Name: Martin Drilling Co., Inc.

Well Drilled For: Gas Storage

Type Equipment: Mud Rotary

Date: 5-21-05

Well Class: 12/10

Location: 13.4 Miles

Sidetrack OWO:

Yes

If OWO:

Original Completion Date: 12-30-05

Original Total Depth: 3,000 feet

Directional, Deviated or Horizontal Wells? No

If Yes, true vertical depth: 3,000 feet

Well Name:

K 1935

Bottom Hole Location:

KCC DKT:

No Unit Info Attached

Affidavit:

Was ALT-2 2006 SURFACE PIPE

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will be in accordance with KSA 65-65, et seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office prior to spudding or re-starting
2. A copy of the approved notice of intent to drill shall be posted at each drilling rig
3. The minimum number of surface pipes specified below shall be set and circulating concrete to the top; in all cases surface pipes shall be set in concrete or uncompacted materials plus a minimum of 50 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging.
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an Alternation is completion, production pipe shall be cemented from below any usable water to surface within 90 days of spud date.

Or pursuant to Appendix B - Eastern Kansas surface casing order 1121,211-C which applies to the KCC District 3 area, alternation if cementing must be completed within 90 days of the spud date or the well shall be plugged. In all cases, NOTIFY district office prior to any cementing.

I hereby certify that the statements herein are true and to the best of my knowledge and belief.

Date: 5/19/05

Signature of Operator or Agent:

Remember:

1. File DRR P notice (Form COM-1) with intent to drill
2. File Completion Notice (COM-1) within 120 days of spud date
3. File a notice of completion and a field promotion order
4. Notify appropriate district office of 48 hours prior to re-entry, and submit plugging report (CP-4) after plugging is completed
5. Obtain written permission before disposing of or injecing salt water
6. If this permit has expired (file authorized expiration date) please check the box below and return to the address below.

Anchor: 11-16-05

Mail to: KCC - Conservation Division, 130 S Market, Room 2708, Wichita, Kansas 67202

For KCC Use ONLY

API #: 167-24257-0000

Conductor pipe required: None

Minimum surface pipe required: 100 feet

Approved by: 11-16-05

This affidavit must be drilled not started within 6 months of effective date.

Spud Date: 5-19-05

Agent: